GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4963
ANSWERED ON:19.04.2001
IOC AND BPCL REFINERIES
MINATI SEN;SUBODH ROY

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the move of the Government to allow Indian Oil Corporation Limited and Bharat Petroleum Corporation Limited to take over four refineries has anything to do with the decision to deregularise oil sector in 2002 ;

(b) if so, the details thereof ; (

(c) whether after gaining control over four standard oil refineries by the Indian Oil Corporation Limited and Bharat Petroleum Corporation Limited the public sector oil companies will be able to compete with multi-national oil majors, who may be allowed to operate freely in the country very soon ; and

(d) if so, the further steps the Government propose to make Indian Oil major stand high before foreign oil majors ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (d) : Government have taken a decision on the integration of stand-alone refineries with Public Sector Oil Marketing Companies. Under the aforesaid arrangement, Chennai Petroleum Corporation Limited (CPCL) and Bongaigaon Refinery and Petrochemicals Limited (BRPL) would be made the subsidiaries of Indian Oil Corporation Limited (IOCL), and Kochi Refineries Limited (KRL) an Numaligarh Refinery Limited (NRL) would be made subsidiaries of the Bharat Petroleum Corporation Limited (BPCL).

This arrangement will help the stand-alone refineries to face the challenges of de-regulation in a better way as well as enhance the supply of petroleum products to IOCL and BPCL especially in Southern and North-East Region.